

## PROMOTING SOCIAL CAPITAL FOR RURAL COMMUNITY DEVELOPMENT

*(Peranan Modal Sosial dalam Pengembangan Masyarakat Pedesaan)*

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### **INTISARI**

*Seiring dengan proses perubahan paradigma pembangunan dari model top down menuju model bottom up, peranan masyarakat lokal menjadi semakin penting dalam berbagai tahapan proses pembangunan. Pemahaman yang mendalam tentang sumberdaya lokal utamanya komunitas lokal yang antara lain mencakup pola hubungan dan jaringan kerja sama yang lebih dikenal secara luas sebagai modal sosial (social capital) merupakan suatu kebutuhan yang mendasar dalam proses perencanaan dan pelaksanaan pembangunan. Pemanfaatan sumberdaya sosial secara optimal akan mendukung peningkatan efektivitas program pembangunan pedesaan. Hal ini tidak hanya memacu pertumbuhan ekonomi, namun juga sebagai penyangga dan pemelihara solidaritas sosial dan daya ikat masyarakat lokal. Pada akhirnya akan mendukung model pembangunan yang berkelanjutan bagi masyarakat pedesaan dan lingkungannya. Pemahaman yang komprehensif tentang sumberdaya social capital memungkinkan perencana pembangunan untuk mengidentifikasi secara tepat akan potensi sisi positif dan negatif. Hal ini sangat penting ketika merumuskan strategi penguatan sisi positif dan menekan sisi negatif potensi social capital dalam pembangunan masyarakat pedesaan. Dukungan dan penguatan terhadap pola jaringan dan kerjasama masyarakat yang semakin terbuka (inclusive) seperti tercermin dalam pergeseran dari dimensi bonding menuju bridging dan linking memungkinkan masyarakat lokal untuk memperluas dan memperkuat berbagai aspek kerjasama.*

*Kata kunci : peranan, modal sosial, pengembangan masyarakat pedesaan*

In the development process worldwide, researchers and policy makers these days are paying greater attention to the significant role of social capital. There is a growing understanding that social capital is one of the determinant factors in the economic development.

Strictly speaking, Miguel et.al, (2001) concludes that social factors are crucial in determining economic growth outcomes. In addition to that, Georgi (2003) emphasizes the importance of social capital as a significant factor of growth.

The objective of this paper is succinctly to show the theoretical aspects of social capital,

implementation of those in the context of development planning and relationship among them. The dark side of social capital also will be discussed briefly.

### **SOCIAL CAPITAL-WHAT IS IT?**

Many researchers have introduced the definitions of social capital since the pioneering work by James S. Coleman (1988) and Putnam (1993). The term social capital varies from one researcher to another. As mentioned by Robinson and Flora (2003), social capital is defined differently depending on the discipline of the scholars defining it and its intended

application.

World Bank's Social Capital Initiative has defined social capital broadly to include features of both government and civil society that facilitate collective action for the mutual benefit of a group, where a group may be as small as a household or as large as a country. More strictly, the World Bank (1998) interprets that social capital refers to the institutions, relationships, and norms that shape the quality and quantity of a society's social interactions.

Social capital, however, is not simply the sum of the institutions, which underpin a society; it is also the glue that holds them together. It includes the shared values and rules for social conduct expressed in personal relationship, trust, and a common sense of "civic" responsibility, that makes society more than a collection of individuals. Without a degree of common identification with forms of governance, cultural norms, and social rules, it is difficult to imagine a functioning society.

As a comparison, the definition of social capital can be seen in the following part. Grootaert (1998) proposes that social capital is internal and social coherence of society, the norms and values that govern interaction among people and the institutions in which they are embedded. Woolcock (2000) argues the other definition of social capital namely norms and networks that facilitate collective action. In addition, Parker (2008) offers definition of social capital as a network of relationships which are the product of social investment strategies and of cultural behaviours that result in the

generation of group membership.

Some experts have identified the dimensions of social capital. The common dimension of it usually is seen from the point of view of sources, scope of activity and degree of implementation. Dimension from sources of social capital including (1) civic social capital and (2) governmental (institutional social capital). From scope or area of activity, social capital can be divided into (1) bonding social capital, (2) bridging social capital and (3) linking social capital. While using the degree of implementation in society, it encompasses (1) structural social capital and (2) cognitive social capital

#### **WHY IS IT IMPORTANT?**

Researches on the role of social capital in the development process and economic growth have been immensely evolving and expanding. They considered that market and government only could not always work well for entire conditions, the role of community which can be represented by social capital may substitute and play an important role particularly for providing local public goods.

The logic of the importance of social capital for human life and more narrowly in the process of development has been argued by most of researchers who interest on social capital and development issues.

The way in which social capital, whether through local association or in other manifestations, performs its role is centered on three mechanisms: the sharing of information

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among group members, the reduction of opportunistic behavior, and the facilitation of collective decision-making (Grootaert, 1999).

Knack, Stephen (2002) argues that social capital reduces uncertainty and transaction costs, social capital help solve the problem of social order by overcoming collective action problems Social capital and community function enforce property and contract rights (reduce uncertainty and transactions costs, enhancing the efficiency of exchange, encouraging specialization, and promoting investment in ideas, human capital, and physical capital.

Leading researcher on social capital, Coleman (1988), comprehended that the mechanism of social capital in promoting human cooperation for mutual benefit can be understood through the role of social capital for creating reciprocity, as information channel and nurturing norm and effective sanction within a community

## **SOCIAL CAPITAL IN THE CONTEXT OF DEVELOPMENT POLICIES PLANNING**

In the context of development policies planning, the importance of social capital which simplified into local social relations has been well acknowledged by recent development planners.

As mentioned by Parker (2008), introduction of new development program without deep consideration on local community relationship will result in social disintegration and even may destroy social capital. One of the clearest examples of this came in the 1950s and

1960s, when the local community relations and resources were damaged when wholesale urban renewal programs embarked upon both UK and elsewhere around the world. The later negatives impact of those programs were social unrest, community vacuum and in growth of criminal behavior.

Blair in Parker (2008) argues that it is important to ensure that policy and socio economic changes are mitigated when social capital may be damaged. This has led to an underpinning of the idea that planning and wider local governance practices should foster strong communities.

The ideas and centrality of community in planning and policy rhetoric which can be traced through direct link between the concept of social capital and that of community as it is widely understood. Importance of social capital for planner may cover wide are of planning such as economic and resources planners. Social capital can be employed as resource which is useful for local development and social cohesion and there is related concern with embeddedness of economic and social activity.

In order to full-use of social capital for development program, it should be carefully and comprehensively identified. Pretty and Ward (2001) have identified the central aspects of social capital which consist of relations of trustworthiness, reciprocity and exchange, common rules, norms and sanctions, connectedness and network and group.

## **RURAL COMMUNITY DEVELOPMENT:**

## **MOVING FROM THEORY INTO PRACTICE**

EU country members and more specifically UK, has introduced rural community development program which has been considered as type of implementation of social capital theory into practices of rural development. The program is known as LEADER which stands for Liason Entre Actions pour le Developpement de L'Economie Rurale (it literally means link between actions for the development of rural economy).

LEADER program was started in 1992/1993 (LEADER I), continued to LEADER II (1995-1999); recently has been being implemented the last stage of LEADER+ (2000-2006). The focus of LEADER + is innovative and local area based development plans implemented by local people working in "partnership".

Program funds 3 areas of activity called "actions": (1) integrated, pilot rural development plan, (2) cooperation between rural areas and (3) networking. Program implementation is has been delivered by Local Action Group (LAG). LAG areas must be "small and homogeneous" in social, economic and geographical terms.

The LAG development plan is built around one or more themes: (1) the use of know how and new technologies to make rural products and services more competitive, (2) improving quality of life in rural areas, (3) adding value to local products, (4) making the best use of natural and cultural resources.

Targeted groups of the project are women, young people, older people, unemployed and underemployed, rural businesses and workers affected by restructuring. The funding of project includes EU-EAGGF, DEFRA, and other sources e.g. local authorities, other government departments, regional development agencies and private sector sources.

As a case study, it has been documented the implementation of LEADER program in the countryside of Cumbria Fells and Dales. In general, the area contains a population of just over 100.000 people and as upland area with a land-used dominated by livestock rearing and tourism area.

In practices, LAG has been made up representative organizations from private, public and community and voluntary sectors (40 local organizations involved). LAG theme is adding value of local products, in particular by facilitating access to market for small production units via collective actions.

Type of popular project is assistance to local produce enterprises to carry out project of a value of less than £20.000 (activities: local meat, wool, timber, fish, egg, etc.); a dairy initiative to produce some new added-value milk products and to explore their market potential; education for direct marketing of tourism industry

Networking and cooperation as main feature of social capital theory also has been being built and practiced by LAG. They have been strengthening partnership with LAG in Lozere (France) on land management issue, with

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Dubeiner Heide (Germany) for improving traditional building technique, and with LAG North Pennines for improving product quality.

In the context of rural development in Indonesia, actually elements of social capital have been identified since long time ago. Before emerging a formulation of standard understanding on social capital, villagers in Indonesia and in rural Java particularly have been practicing a prominent traditional norm of human interaction and mutual cooperation, which has been termed as “gotong royong” tradition.

Many local institutions have been created under the spirit of gotong royong values. According to Grootaert (1999), a long tradition of community-based groups in Indonesia has existed and later more informally organized. In 1979, the government passed the Village Governance Law, which put in place a new structure of local government based on neighborhood (RT/RW) and hamlets (dusun) within villages.

The key feature of the government-sponsored groups is that they formally organized and have mandatory membership. However, both community-based and government-sponsored associations are found across the functional spectrum of associations (social service groups, production and occupational groups, finance and credit groups, etc.). In Indonesian villages the gotong royong can also function as a collective action group. In addition to that, Subejo and Iwamoto (2003) have termed a wide variety of mutual cooperation practices in

rural Java as an “institutionalized stabilizers”. Those cooperation activities have been practiced and institutionalized as a social custom in the rural community.

The main problem with regard to social capital utilization for rural development in rural Indonesia is less attention on social capital value. The issues also have not been systematically studied. How to use social capital resources for promoting effective and efficient rural development likely has not been taken into account by development planners. Typical of top-down approach is still much more predominant on the developmental process specifically in rural areas.

Deep understanding and comprehensive study on potential benefit of social capital for rural community development will be essential issue in the future of rural development program in Indonesia.

## **DARK SIDE OF SOCIAL CAPITAL**

Social capital not only has positive impact for human development, but also has potency of negative impacts. The negative impacts usually have been widely known as “dark side” of social capital. Michael (2004) identifies some potency of negative impacts of social capital which include neglecting the context and unequal asset and power distribution, social capital sometimes becomes a tool for social exclusion and group or community always sidetrack individuals from their welfare maximization.

A very strong trust and social solidarity

among group members of mafia is also typical example of dark side of social capital. Social bonding among them is very tight and beneficial for the group members, but from wider public perspective, those activities are very dangerous and may damage or threaten the public interest.

In the case of implementation of LEADER program in rural UK is also facing negative impacts. The requirement of group setting which it should be homogenous, also implies process of marginalization or exclusion for area and rural people under non-homogeneous on geography and socioeconomic terms.

The program implementation also has not been addressed some critical issues faced by rural people such as unity and cohesiveness of community which may indicated by less conflict and less crime. So far, there is no clear identification of mutual guarantying, sustainability and cost-based affectivity of the program.

## **CONCLUDING REMARKS**

As developmental process has moved from top down approach to be more bottom up approach, the role of local community has been becoming more important. Full understanding of community resources including community relationships and network which recently widely acknowledged as social capital is necessary for the developmental planning process.

The full use of social resources of community will promote the higher affectivity of rural development program. This not only will

boost economic growth, but also will maintain and enhance social solidarity and cohesiveness of community which finally promote sustainable development model for rural people and their environments.

Well understanding on social capital resources enables development planners to correctly identify more positive sides of them and reduce the negative potencies of them. Promoting social capital in rural community development which directed to be more inclusive and moving from bonding into bridging and linking dimension may strengthen the relationship and enables them to gain more benefit from their cooperation activities.

Implementation of participatory planning approach for rural development is impossible without deep understanding and full-use of various features of social capital in the local community. Human relationship as typical of social capital is getting much more attention as one of the most important element for development process.

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